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C O N F I D E N T I A L SECTION 01 OF 02 BRUSSELS 001094

SIPDIS

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TAGS: [PGOV](#) [PREL](#) [EFIN](#) [BE](#)

SUBJECT: BELGIUM'S DEPUTY PRIME MINISTER HOPES TO KEEP THE
GOVERNMENT IN PLACE; NOT INTERESTED IN BECOMING PRIME
MINISTER NOW

REF: BRUSSELS 1074 AND PREVIOUS

Classified By: A/DCM Richard Eason, Reasons 1.4 (b) and (d).

11. (C) SUMMARY: Deputy Prime Minister and Finance Minister
Didier Reynders told the Ambassador that Prime Minister Yves
Leterme gave him only a half hour notice that he would be
submitting his resignation to the King. Leaders of the five
coalition parties are in discussions with the two green
parties and with regional leaders to try to find a way out of
the current impasse. Agreement must be reached on whether
the goal of these discussions should be a minor reforms to
keep the government in place or address the major issues
underlying the long-running crisis. Reynders prefers to
delay the major reforms until after the regional elections in
June 2009. Reynders echoed other analysts when he asserted
that some compromise must be reached before the King's
statement on National Day, July 21. END SUMMARY.

DEJA VU ALL OVER AGAIN

12. (C) The Ambassador called on Deputy Prime Minister
Didier Reynders (MR--Reform Movement: francophone liberals)
on July 16 in a meeting scheduled before Prime Minister
Leterme's (CD&V-Flemish Christian Democrats) resignation
triggered the latest government crisis. Reynders, the
government's de facto number two, said he had met with
Leterme, CD&V Deputy Prime Minister, Justice Minister Jo
Vandeuren and the leaders of the francophone parties that
day to try to find a way out of the current impasse. He told
the Ambassador he had only had a half hour warning from
Leterme that he intended to resign. Reynders said he had
tried to convince Leterme to stay, without success.
Reynders said he wanted to be sure to keep a government
majority to cement the progress made by the government in the
budget (which was basically in balance thanks to recent
accords) and in the economic and social program package
recently agreed as well.

13. (C) He and Leterme met with the King from 1:00 a.m. to
3:00 a.m. on the morning of July 15 to try to find a
solution. Reynders said the problem traced back to the
CD&V's decision to enter into an alliance with the Flemish
national party, the New Flemish Alliance (NVA). He said it
made no sense to ally with a party whose stated aim was to
break up the Belgian state. Yet, he understood that without
the NVA, the Christian Democratic parties (from Flanders and
Wallonia) would hold fewer seats than the two Liberal
parties, Reynders' MR and previous-Prime Minister Guy
Verhofstadt's Open VLD (Flemish Liberals and Democrats).
When the Ambassador said that would make Reynders the Prime
Minister, he agreed but implied he had no interest in the job
for the moment. He prefers Leterme to continue as PM.
Reynders said the Cabinet will meet on Friday to prove that

the government is still in operation.

A RAINBOW COALITION FOR CLOUDY BELGIUM?

¶4. (C) Reynders said that, for the first time, the regions are being brought into the discussion. The two green parties have also been consulted. Reynders noted that passing any major institutional reform would require a two-thirds majority in the Parliament; it could not be achieved without the greens.

¶5. (C) However, Reynders asked, What is the point of bringing in the regions, members of parliament and other parties without knowing the goal and the approach? There must be consensus on whether there will be reforms that can address immediate objections by hard-liners, or to propose more fundamental changes to the Belgian state. Reynder's preference is to agree to carry out some reforms between now and the June 2009 regional elections but to leave the major structural reforms to the two years the federal government will have left in its term after those regional elections (the term of the current federal government ends in 2011). He feared tackling the fundamental issues now would skew the results of the regional elections.

MORE DEADLINES

¶6. (C) Reynders said he told King Albert that some

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compromise needed to be reached within the next two to three days. There must be a Prime Minister at the King's side during the July 21 National Day celebrations and the King must have something positive to say in his National Day remarks (which are typically taped the day previously). The sacrosanct Belgian summer holidays begin on July 22 and Belgian politicians need the break. Reynders also did not want to see a repeat of what happened in the fall of 2007 where the same basic discussions delayed formation of the government for months.

COMMENT

¶7. (C) Reynders' name has been mentioned by several commentators as a likely next Prime Minister. However, he himself has said he remains, for now at least, loyal to Leterme. It is likely that he doubts he could find a way ahead either and does not want to jeopardize his party's electoral chances in the 2009 regional elections. Indeed, the consensus of the francophone parties, ironically, is to keep Leterme in the job. None of the coalition parties seem interested in having the government fall, yet they also seem unable to find a compromise. Although recent polls show that several parties have lost ground, a new election would be unlikely to change the balance in Parliament significantly. Although Belgians have long been known for their skills as mediators and compromisers, that reputation is becoming increasingly tarnished.

FOX

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